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浙大蘭德

ZHEDA LANDE SCITECH LIMITED*

浙江浙大網新蘭德科技股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

Stock Code: 8106



Interim Report 2009

* For identification purpose only

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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This report, for which the directors of Zheda Lande Scitech Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM for the purpose of giving information with regard to Zheda Lande Scitech Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

HIGHLIGHTS

- Achieved a turnover of approximately RMB48,757,000 for the six months ended 30 June 2009, representing an approximately 23.44% decrease as compared with the turnover for the corresponding period in 2008.
- Incurred a net loss of approximately RMB1,303,000 for the six months ended 30 June 2009, as compared with the net loss for the corresponding period in 2008 of approximately RMB1,197,000.
- The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2009.

The board of directors (the "Board") of Zheda Lande Scitech Limited (the "Company") is pleased to present the interim report of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2009.

2009 INTERIM RESULTS

For the six months ended 30 June 2009, the Group recorded an unaudited turnover of approximately RMB48,757,000 (2008: RMB63,686,000), representing a decrease of approximately RMB14,929,000, or approximately 23.44%, as compared with the turnover of the same period in 2008.

For the six months ended 30 June 2009, the Group recorded an unaudited net loss of approximately RMB1,303,000 (2008: RMB1,197,000).

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2009 (2008: Nil).

CONDENSED INTERIM FINANCIAL STATEMENTS

The unaudited condensed interim financial statements of the Group for the six months ended 30 June 2009 together with the unaudited figures for the corresponding period in 2008 are set out as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months and three months ended 30 June 2009

	Notes	(unaudited) Six months ended 30 June		(unaudited) Three months ended 30 June	
		2009 RMB'000	2008 RMB'000	2009 RMB'000	2008 RMB'000
Turnover	3	48,757	63,686	18,378	27,074
Cost of sales		(27,476)	(40,464)	(7,993)	(17,315)
Gross profit		21,281	23,222	10,385	9,759
Other operating expenses		(263)	(2,310)	(20)	(2,093)
Distribution and selling expenses		(3,178)	(4,829)	(1,561)	(2,652)
General and administrative expenses		(18,908)	(22,638)	(8,964)	(8,906)
Finance costs, net		43	63	19	49
Gain on disposal of a subsidiary		-	5,051	-	5,051
Share of losses of associates		-	(33)	-	(33)
Subsidy income		1,409	401	1,082	279
Profit (loss) before taxation	4	384	(1,073)	941	1,454
Taxation	5	(613)	(843)	(151)	(584)
(Loss) profit for the period		(229)	(1,916)	790	870
Attributable to:					
- Equity holders of the Company		(1,303)	(1,197)	541	844
- Minority interests		1,074	(719)	249	26
		(229)	(1,916)	790	870
(Loss) earnings per share – Basic	8	RMB(0.004)	RMB(0.004)	RMB0.002	RMB0.003

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CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2009

		(unaudited) 30 June 2009 RMB'000	(audited) 31 December 2008 RMB'000
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		6,878	6,285
Intangible assets		2,637	317
Goodwill		956	956
Other non-current assets		77	–
		<u>10,548</u>	<u>7,558</u>
Current assets			
Inventories		286	–
Amounts due from customers for contract work		–	1,349
Trade receivables	9	20,499	39,761
Prepayments and other receivables		79,026	57,245
Bank balances and cash		16,597	25,428
		<u>116,408</u>	<u>123,783</u>
Current liabilities			
Trade and other payables	10	24,143	29,018
Receipt in advance from customers		885	919
Current tax liabilities		3,171	2,418
		<u>28,199</u>	<u>32,355</u>
Net current assets		<u>88,209</u>	<u>91,428</u>
NET ASSETS		<u><u>98,757</u></u>	<u><u>98,986</u></u>

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	(unaudited)	(audited)
	30 June	31 December
	2009	2008
<i>Notes</i>	RMB'000	RMB'000
Capital and reserves		
Paid in capital	35,655	35,655
Reserves	49,273	50,576
Equity attributable to equity holders of the Company	84,928	86,231
Minority interests	13,829	12,755
TOTAL EQUITY	98,757	98,986

CONDENSED CONSOLIDATED CASH FLOW STATEMENT*For the six months ended 30 June 2009*

	(unaudited) Six months ended 30 June 2009 RMB'000	(unaudited) 2008 <i>RMB'000</i>
Net cash (outflow) inflow from operating activities	(6,322)	1,094
Net cash outflow from investing activities	(2,509)	(426)
Net (decrease) increase in cash and cash equivalents	(8,831)	668
Cash and cash equivalents at beginning of period	25,428	13,955
Cash and cash equivalents at end of period	16,597	14,623

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2009

	(unaudited)						
	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Statutory surplus reserve <i>RMB'000</i>	Retained earnings <i>RMB'000</i>	Equity attributable to equity holders of the Company <i>RMB'000</i>	Minority interests <i>RMB'000</i>	Total <i>RMB'000</i>
Balance as of 1 January 2008	33,958	71,988	10,567	(29,205)	87,308	13,920	101,228
Net loss	-	-	-	(2,041)	(2,041)	(745)	(2,786)
Balance as of 31 March 2008	33,958	71,988	10,567	(31,246)	85,267	13,175	98,442
Net profit	-	-	-	844	844	26	870
Disposal of a subsidiary	-	-	-	-	-	263	263
Balance as of 30 June 2008	<u>33,958</u>	<u>71,988</u>	<u>10,567</u>	<u>(30,402)</u>	<u>86,111</u>	<u>13,464</u>	<u>99,575</u>
Balance as of 1 January 2009	35,655	76,570	10,567	(36,561)	86,231	12,755	98,986
Net (loss) profit	-	-	-	(1,844)	(1,844)	825	(1,019)
Balance as of 31 March 2009	35,655	76,570	10,567	(38,405)	84,387	13,580	97,967
Net profit	-	-	-	541	541	249	790
Balance as of 30 June 2009	<u>35,655</u>	<u>76,570</u>	<u>10,567</u>	<u>(37,864)</u>	<u>84,928</u>	<u>13,829</u>	<u>98,757</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 June 2009

1. BASIS OF PRESENTATION

The Company was incorporated as a joint stock company with limited liability in the People's Republic of China (the "PRC") on 20 September 2001 and its H shares were listed on the GEM on 3 May 2002, details of which are set out in the prospectus of the Company dated 24 April 2002.

The condensed financial statements have been prepared in accordance with International Financial Reporting Standard 34 "Interim Financial Reporting" published by the International Accounting Standards Board and the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM (the "GEM Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed financial statements are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2008.

3. TURNOVER AND SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segments; and (ii) on a secondary segment reporting basis, by geographical segment.

(i) Primary reporting segment – business segments

The Group comprises the following main business segments:

- provision of telecommunication solutions;
- trading of hardware and computer software; and
- provision of telecommunication value-added services.

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	(unaudited)							
	Provision of telecommunications solutions		Trading of hardware and computer software		Provision of telecommunication value-added service		Consolidated	
	For the six months ended 30 June							
	2009	2008	2009	2008	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment turnover	<u>12,354</u>	<u>9,964</u>	<u>13,501</u>	<u>27,177</u>	<u>22,902</u>	<u>26,545</u>	<u>48,757</u>	<u>63,686</u>
Segment results	<u>7,493</u>	<u>3,368</u>	<u>99</u>	<u>2,429</u>	<u>13,689</u>	<u>17,425</u>	<u>21,281</u>	<u>23,222</u>
Unallocated revenue							1,409	401
Unallocated expenses							(22,349)	(29,777)
Finance costs, net							43	63
Gain on disposal of a subsidiary							-	5,051
Share of losses of associates							-	(33)
Profit (loss) before taxation							384	(1,073)
Taxation							(613)	(843)
Loss for the period							<u>(229)</u>	<u>(1,916)</u>
Other segment information:								
Capital expenditures	142	114	-	-	2,367	312	2,509	426
Depreciation and amortisation	<u>118</u>	<u>1,619</u>	<u>-</u>	<u>-</u>	<u>1,259</u>	<u>2,494</u>	<u>1,377</u>	<u>4,113</u>
	(unaudited)	(audited)	(unaudited)	(audited)	(unaudited)	(audited)	(unaudited)	(audited)
	As at	As at	As at	As at	As at	As at	As at	As at
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2009	2008	2009	2008	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment assets	11,090	12,811	11,239	24,628	10,805	8,597	33,134	46,036
Unallocated assets							93,822	85,305
Total assets							<u>126,956</u>	<u>131,341</u>
Segment liabilities	3,459	6,060	3,113	1,344	4,802	3,155	11,374	10,559
Unallocated liabilities							16,825	21,796
Total liabilities							<u>28,199</u>	<u>32,355</u>

(ii) Secondary reporting segment – geographical segment

The Group operates within one geographical segment, namely the PRC. Accordingly, no geographical segment information is presented.

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4. PROFIT (LOSS) BEFORE TAXATION

Profit (loss) before taxation has been arrived at after charging:

	(unaudited) Six months ended 30 June		(unaudited) Three months ended 30 June	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
Depreciation and amortisation	1,377	4,113	660	2,260

5. TAXATION

	(unaudited) Six months ended 30 June		(unaudited) Three months ended 30 June	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
The charges comprises:				
PRC income tax	613	843	151	584

Pursuant to the PRC Enterprise Income Tax laws and regulations, the Company is subject to Enterprise Income Tax ("EIT") at a rate of 25%.

The subsidiaries of the Company are subject to EIT at rates ranging from 0-25% in accordance with respective local tax laws and regulations.

The business of the Group is conducted in PRC and therefore is not subject to Hong Kong profits tax.

6. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2009 (2008: Nil).

7. RESERVES

Other than those disclosed in the condensed consolidated statement of changes in equity, there were no movements in the reserves of the Group for the relevant periods in 2009 and 2008.

8. (LOSS) EARNINGS PER SHARE

(Loss) earnings per share has been computed by dividing net loss for the six months and net profit for the three months ended 30 June 2009 of approximately RMB1,303,000 and approximately RMB541,000 (2008: net loss of approximately RMB1,197,000 and net profit of approximately RMB844,000), respectively, by 356,546,000 (2008: 339,577,000) shares in issue.

No diluted earnings per share were presented for the six months and three months ended 30 June 2009 and 2008 as there was no potential dilutive securities in existence during the relevant periods.

9. TRADE RECEIVABLES

No special credit term is granted to the customers by the Group.

Trade receivables consisted of:

	(unaudited) 30 June 2009 RMB'000	(audited) 31 December 2008 RMB'000
Trade receivables	36,894	56,156
Less: impairment losses	<u>(16,395)</u>	<u>(16,395)</u>
	<u>20,499</u>	<u>39,761</u>

Aging analysis of the trade receivables net of impairment losses is as follows:

less than one year	18,078	38,901
over one year but less than two years	<u>2,421</u>	<u>860</u>
	<u>20,499</u>	<u>39,761</u>

10. TRADE AND OTHER PAYABLES

	(unaudited) 30 June 2009 RMB'000	(audited) 31 December 2008 RMB'000
Trade payables	6,970	6,160
Other payables and accruals	<u>17,173</u>	<u>22,858</u>
	<u>24,143</u>	<u>29,018</u>

Aging analysis of the trade payables is as follows:

less than one year	6,970	5,797
over one year but less than three years	-	308
over three years	<u>-</u>	<u>55</u>
	<u>6,970</u>	<u>6,160</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Operation review

1. *Review of operating results for the period*

For the six months ended 30 June 2009, the unaudited turnover is approximately RMB48,757,000, representing a decrease of approximately RMB14,929,000, or approximately 23.44%, as compared with that of the same period in 2008. For the three months ended 30 June 2009, the unaudited turnover is approximately RMB18,378,000, representing a decrease of approximately RMB8,696,000, or approximately 32.12%, as compared with that of the same period in 2008.

The unaudited net loss and net profit of the Group for the six months ended 30 June 2009 and the three months ended 30 June 2009 is approximately RMB1,303,000 and RMB541,000, respectively.

2. *Product development*

During the period, the Company has made tremendous efforts on research of new products and development of new businesses, with a view to lay a solid foundation for sustainable growth of the Company. Leveraging on its competitive edge in telecommunication industry, the Company conducted in-depth research on decoding of information data and thus developed correlated product of precision market system ("PMS"), thereby providing a large number of enterprises with the precision marketing platform. The Company also conducted research and development on new products, in the light of China pages (中國黃頁, www.chinapages.com), which included electronic service platform and advertisement platform, to help enterprises shape their brands and expand their businesses through the Internet.

3. *Marketing and business development*

During the period, the Group mainly focused on telecommunication value-added businesses, application businesses and system integration businesses. As for value-added businesses, a number of products based on the Number 114 Bai Shi Tong service provided by China Telecom, such as enterprise Bai Shi Tong alliance, enterprise SMS business card, personal communication assistant, map business card, missed call notification, 114 business information, industrial and commercial information platform, were comprehensively launched in Zhejiang Province and gradually expanding to adjacent provinces where some have even commenced operations. As for application businesses, the Group mainly provided management information support as well as development and system maintenance for related software to the three major telecommunication operators. In addition, we also provide purchase, installation and maintenance services for system integration project and system networking products.

4. *Investment and cooperation*

During the period, the Group continued to maintain good relationship with the three telecom operators, China Mobile, China Unicom, and China Telecom, for its cooperative continuity in respect of different operations.

During the period, the Group entered into respective contracts to transfer the exclusive right to purchase 90% equity interest in Zhejiang Sichuang Information Technology Co., Ltd. and to sell 31% equity interest in Zhejiang Lande Zongheng Internet Technology Company Limited. The Group also entered into contract to acquire 100% equity interest in Hangzhou Huaguang Computer Engineering Co. for a consideration of RMB10,000,000. The completion of the above mentioned transactions are pending for the approvals by the extraordinary general meeting to be held on 28 August 2009.

5. *Employees information*

As at 30 June 2009, the Group had 390 (2008: 290) employees in total. The total staff costs of the Group for the reporting period amounted to approximately RMB10,931,000 (2008: RMB8,120,000).

The Group's human resources management strategy is formulated in accordance with the Group's guidelines of development strategy on one hand and with requirements under long term vision planning as her target direction on the other. At the same time, incentive scheme will be embedded in other human resources programs and flourishing result is expected from this cross match. The Group opened wide for recruitment channels, set up mechanisms for attracting human resources, grasped for human development and formulated a good system in people deployment and incubation. The Group implemented an annual income target system which was linked up with staff performance appraisal and compensation system. Target annual income was confirmed and released in accordance with performance appraisal result. After a total assessment on employee's job performance, capability, and work attitude, an integrated evaluation could be established for the employee which will be used as referencing standard. Through the integration of the two systems, the employees are effectively motivated and the attainment of the Group's target is assured.

The Group did envisage on employee's personal development and provided employees with training courses on quality and skills. Training plan was given to suit individual staff so as to help each one more compatible with the Company's job requirement and ensure comprehensive development during his career life.

The Group did not issue any share options nor had any bonus plan.

Financial review

- The Group has maintained sound financial conditions. For the six months ended 30 June 2009, the Group was mainly financed by funds generated from operations.
- As at 30 June 2009, the Group's bank balances cash amounted to approximately RMB16,597,000 (31 December 2008: RMB25,428,000).
- As at 30 June 2009, the Group had no outstanding short term bank borrowings (31 December 2008: Nil).
- As at 30 June 2009, the Group had a total asset value of approximately RMB126,956,000 (31 December 2008: RMB131,341,000).
- As at 30 June 2009, the Group had current liabilities of approximately RMB28,199,000 (31 December 2008: RMB32,355,000).
- As at 30 June 2009, the Group had equity attributable to equity holders of the Company of approximately RMB84,928,000 (31 December 2008: RMB86,231,000).
- As at 30 June 2009, the Group had no material contingent liabilities (31 December 2008: Nil).
- As at 30 June 2009, the Group had minority interests of approximately RMB13,829,000 (31 December 2008: RMB12,755,000).
- As at 30 June 2009, the Group had a gearing ratio (i.e. the ratio of liabilities to total assets) of approximately 22.21% (31 December 2008: 24.63%).
- As at 30 June 2008, the Group had a net current asset ratio (i.e. the ratio of current liabilities to current assets) of approximately 24.22% (31 December 2008: 26.14%).
- Since substantially all of the Group's revenue is in Renminbi and its expenses are paid in Renminbi, the Directors do not consider that the Group is exposed to any material foreign currency exchange risk.

Future prospects**1. Orders in hand/sales contract status**

Our value-added service business has a large customer base and maintains a stable source of customers, the respective business contracts of which will continue to be implemented. For instance, we recorded stable revenue in our Telecom Number 114 Bai Shi Tong service. We will gradually expand our value-added business into other provinces and develop the client base for our value-added business as planned. For application services, we have a stable client base in the three major telecom operators. In particular the restructuring and business adjustment of the three major telecom operators will provide potential substantial demand on software upgrading and development of new software system to allow them to switch to the new environment. Given such existing customers, we will enter into contracts in relation to the sourcing, installation and maintenance services for system integration projects and system network equipment.

2. Prospects of new business and new products

Through the use of self-developed in-depth information decoding know-how and by leveraging on its competitive edge in telecommunication and correlation of consumer behaviours, the Company has developed PMS which combines precision advertising, customer leading, customer care and effect assessment all in one. PMS offers services such as related information delivery, industry promotion, customer care and keyword bidding.

PMS has received positive customer feedback since preliminary launch thanks to its precision customer positioning, accurate information distribution and powerful data support. It provides a promising market prospect and will become a core product of the Company in future.

The newly-developed China pages (中國黃頁, www.chinapages.com) and Enterprise TV Station, deemed as united platform set up for enterprise services, provide enterprises with Internet image packaging and channel expansion services and attract potential enterprise customers.

In face of restructuring and business adjustment of telecom operators, our application business has to adapt to such changes in relation to software upgrading and development of new software for the telecom operators.

For application service business, the Company continued to provide maintenance and technical support service for the information system of telecom operators.

ADDITIONAL INFORMATION REQUIRED BY THE GEM LISTING RULES**Directors', Supervisors' and chief executives' interests in securities**

Save as disclosed below, as at 30 June 2009, none of the Directors, Supervisors or chief executives had interest in any securities of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the "SFO")) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies relating to securities transactions by directors to be notified to the Company and the Stock Exchange:

Long position in shares

Name	Type of interests	Capacity	Number of Domestic Shares held	Percentage of beneficial interests in the Company's share capital
<i>Director & Chief Executive Officer</i>				
Chen Ping	Personal	Beneficial owner	36,392,320	10.21%

Directors', Supervisors' and chief executives' rights to acquire shares

For the six months ended 30 June 2009, none of the Directors, Supervisors or chief executives was granted options to subscribe for shares of the Company. As at 30 June 2009, none of the Directors, Supervisors or chief executives or any of their spouses and children under 18 years of age had any interest in, or had been granted any interest in, or had been granted, or exercised, had any rights to subscribe for (or warrants or debentures, if applicable) or to acquire shares of the Company.

Share Option Scheme

The Company has conditionally adopted the share option scheme. A summary of the principal terms and conditions of the share option scheme are set out in the section headed "Summary of the Terms of the Share Option Scheme" in the Prospectus. Up to 30 June 2009, no option has been granted pursuant to such share option scheme.

Interest disclosable under the SFO and substantial shareholders

Save as disclosed below, so far as was known to any Directors, Supervisors or chief executives, as at 30 June 2009 no persons or companies (other than the interests as disclosed above in respect of the Directors) who had equity interests or short positions in the shares or underlying share of the Company which would fall to be disclosed under Division 2 and 3 or Part XV of the SFO; or who were deemed to be directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group; or who were substantial shares as recorded in the register maintained under section 336 of the SFO:

Long position in shares

Shareholder	Capacity	Number of shares held	Percentage of beneficial interests in the Company's share capital
Inigma Technology Co. Ltd.	Beneficial owner	81,802,637 Domestic Shares	22.94%
Shanghai Longtail Investment Management Co. Ltd.	Beneficial owner	34,117,808	9.57%
Guoheng Shengxing Media Science Group Company Limited	Beneficial owner	34,117,800 Domestic Shares	9.57%
Fong For	Beneficial owner	21,735,000 H Shares	6.10%
Wu Zhong Hao	Beneficial owner	16,490,280 Domestic Shares	4.63%
Liu Qiao Ping	Beneficial owner	10,235,340 Domestic Shares	2.87%
Shi Chun Hua	Beneficial owner	7,235,812 Domestic Shares	2.03%

Competing interests

None of the Directors or the management shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group.

Audit committee

The Company established an audit committee in November 2001 with written terms of reference in compliance with the requirements as set out in the GEM Listing Rules. The audit committee comprises the three independent non-executive directors, Mr. Gu Yu Lin, Mr. Zhang De Xin and Mr. Cai Xiao Fu, with Mr. Gu Yu Lin as the chairman.

The condensed interim financial statements for the six months ended 30 June 2009 have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee.

Purchase, sale or redemption of securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2009.

Code of conduct regarding securities transactions by Directors

During the six months ended 30 June 2009, the Company had adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company also had made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and code of conduct regarding securities transactions by Directors.

Corporate governance

The Company has endeavoured to compile with all code provisions as set out in the code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules throughout the six months ended 30 June 2009.

On behalf of the Board

Chen Ping
Chairman

14 August 2009, Hangzhou, the PRC